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AFGHANISTAN

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FACT SHEET

Economic Growth and Governance Initiative (EGGI)

OVERVIEW

EGGI strengthens the government's capacity to develop and implement economic and regulatory policy, improving the environment for the private sector. EGGI supports economic cabinet-level decision making and market reforms, budgetary reforms, tax administration and policy, and economic strategies and investment decisions in key economic corridors that foster improved economic policy planning and implementation. It supports the Ministry of Commerce and Industries (MoCI) to enhance the public-private dialogue to prioritize and implement key reforms that will enable Afghanistan's private sector to generate jobs, investment, and broad-based economic growth.

CURRENT ACTIVITIES

- **Policy support to the Ministry of Finance(MoF):** Assist the minister of finance undertake a balanced review of bi-lateral donor programs and agreements
- **Program budgeting:** Support assigned budgetary units to submit program budgets to the MoF
- **Provincial budgeting:** Support roll-out of MoF budgetary reform program to enhance provincial inputs into the national budget and improve budget coordination
- **Provincial tax administration:** Support medium taxpayer office (MTO) operations in Hirat, Mazar, and Jalalabad to improve revenue collection and promote fiscal sustainability
- **Doing Business Better Initiative:** Improve the business environment to attract investment
- **Commercial law:** Support MoCI to draft improved policies, regulations, and laws, in order to create jobs and spur economic growth
- **Afghanistan Central Business Registry:** Streamline business registration operations

ACCOMPLISHMENTS

- Provided macroeconomic and policy guidance to the MoF in bilateral negotiations resulting in \$11.2 billion of debt relief
- Established MTOs in Hirat, Balkh, and Nangarhar provinces with significant increases in filing compliance and revenue generation through sustained taxpayer engagement
- Trained 800 civil servants across 52 budgetary units/line ministries on a new budget formulation approach designed to improve spending linkages to the Afghanistan National Development Strategy
- Supported the MoF to pilot a new provincial budgeting approach
- Facilitated training for MoF officials in 34 provinces, leading to improved public financial management operations at the provincial level to ensure local development priorities are reflected in the national budget
- Launched the Revenue Reconciliation Database in 34 provinces and 32 ministries, thus allowing automatic reconciliation of revenues in the Afghan Government's treasury account
- Registered approximately 40,000 businesses through the expansion of Afghanistan Central Business Registry offices in Kabul, Jalalabad, Kandahar, Mazar-i Sharif, Hirat, and Kunduz
- Launched the Women in Government Internship Program providing employment experience and full-time job opportunities in institutions to 33 female university graduates
- Worked with the Ministry of Commerce and Industries to develop amendments and regulations to refine and implement a range of key legislative documents, the Law of Corporations and Limited Liability Companies
- Developed a new draft Bankruptcy Law with stakeholder engagement